<u>Exhibit 6D</u>

July 16, 2014 K. Buckfire Deposition Transcript

KENNETH BUCKFIRE, VOLUME 2
IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN

In Re:) Chapter 9

CITY of DETROIT, MICHIGAN,) Case No. 13-53846

Debtor.) Hon. Steven Rhodes
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VOLUME 2

The Videotaped Deposition of KENNETH BUCKFIRE,
a Rule 30(b)(6) witness,
Taken at 1114 Washington Boulevard,
Detroit, Michigan,
Commencing at 8:09 a.m.,
Wednesday, July 16, 2014,
Before Leisa M. Pastor, CSR-3500, RPR, CRR.

APPEARANCES:

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possible level despite the fact that the underfunding of the plan was growing, not shrinking, and because of that low contribution rate, DWSD, even though it had the ability to fund at a higher level, because DWSD had the ability to charge through the ratepayers their appropriate expenses, was benefitting from the City's own financial difficulties in a perverse way.

Q. Was the contribution to the DWSD in these prior years addressing any underfunding, was that calculated by the City's actuaries?

A. I believe so.

Q. Do you know whether the City's actuaries were in agreement with the amounts that were being contributed by the City and or DWSD with respect to any underfunding?

A. My understanding was the minimum possible contribution is what they were contributing.

Q. All right, when you say minimum possible, minimum compared to what?

A. In pensions, whether they're corporate or public, you're supposed to maintain them at a reasonable level of funding so that you can meet your obligations as they come due.

In the corporate world, we normally assume

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that a plan that's funded 80 percent or more is adequately funded. A plan under 80 percent clearly has issues because you're not contributing enough to make up for the benefit expenses of that plan.

In the case of the Detroit plans, it was clear after our initial analysis that they were grossly underfunded, which implies that the pension contribution rates were too low to provide adequate resources of the pension plans to meet future benefit costs.

Q. Just so I'm clear, you're not an actuary --

A. I am not.

Q. -- correct? And you're not providing an expert opinion as an actuary in this case, are you?

A. I'm not.

Q. And you're not providing any opinion in this case as to the adequacy or inadequacy of the funding of the plan; is that right?

A. Only to the extent that it's a fact that the plans were severely underfunded and we reported that fact in June of 2013.

Q. There are a lot of plans out there that are underfunded in the general commercial world; are there not?

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A. No.

Q. There are certainly some?

A. There are always some.

Q. This isn't the only one.

A. This is not a commercial plan; it's a public plan.

Q. There may be public plans that are underfunded out there, as well?

A. There are many worse than this one. I'll be calling them next.

Q. Who determined the amount of these payments that will be made by the DWSD to the pension plan?

A. It was determined in a negotiation with the pension fund and trustees, the retirees' committee, supported by the City's own actuaries, consultants to the City, and experts at Jones Day.

Q. You say they were supported by actuaries to the City; what do you mean by that?

A. Well, the calculation of how much to contribute to get to a target level of funding is something that an actuary is typically employed to do.

Q. Okay. And my question isn't so much that as to whether the amount of payment gets you to where you want to get. My question is who determined that it would be paid over the period that it was -- that it's

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being paid?

A. It was negotiated.

Q. All right. It wasn't something that was recommended by the City's actuaries; is that correct?

A. No.

Q. No, it was not?

A. It was not.

Q. In connection with this negotiation, was it also determined that the City would not be contributing to the -- the reduction of the underfunding through 2023?

MR. CULLEN: Objection, I think we're getting into the negotiations under the mediation privilege, now we're getting into the terms of the negotiation. He was able to tell you that this was a product of a negotiation. Now you're asking him to parse the negotiation, and that's beyond the pale.

MR. WEISBERG: Not agreeing with it, but we'll move on.

MR. CULLEN: Okay.

BY MR. WEISBERG:

Q. To what extent was -- were you or and/or Miller Buckfire involved in connection with the underlying assumptions that were used in order to calculate the UAAL in connection with the plan of adjustment?

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MR. CULLEN: I would just note for counsel that you can answer -- ask the question, but on the derivation of the -- what's been called the 428 figure, Mr. Moore was designated as the 30(b)6 witness.

MR. WEISBERG: Okay, and I'm not suggesting that Mr. Buckfire wasn't so designated.

BY MR. WEISBERG:

Q. I'm just asking you if you were involved in that determination?

A. No.

Q. You are with Miller Buckfire?

A. Correct.

Q. And in paragraph 3 of your expert report -- and you can refer to that. You indicate that in the third -- third sentence starting with in addition, it says in addition to other obligations, the City will have addressed and brought greater certainty and predictability with respect to its pension benefit and OPEB obligations; do you see that?

A. I do.

Q. Okay, can you tell me what that means?

A. I answered this question yesterday.

Q. I'm sorry, I apologize. I might have missed

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something. Could you give it to me again?

A. The City by action of the plan of adjustment is eliminating $7 billion worth of present value of liabilities, most of which was represented by unfunded pension and healthcare benefit costs. The burden of those costs upon the City have been that the requirement to fund them currently with substantial cash has often been outside of the City's control, as it's been driven by independent factors, healthcare plans, benefit costs, pension contribution levels.

By eliminating such a large amount of the present value and converting the balance of these remaining claims into a debt obligation stream represented by the contribution by DWSD for catchup and also by the series B notes, the City will have much greater control over it's discretionary costs and its ability to meet its remaining contractual obligations when due.

Q. Well, okay, I certainly agree with you with respect to through the years, the year 2023 that said you will have virtually no obligation to pay in connection with those costs, correct?

A. Correct, that was an objective of our plan.

Q. So that's certainly predictable. But what about with

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respect to post-2023; is that as predictable?

A. Ten years, twenty years, anyone's guess.

Q. Okay. All right. It also indicates here that in that same paragraph, it says that the fact that such obligations are driven by actuarial analyses and assumptions, such obligations have traditionally served as a significant obstacle in the City's financial planning effort.

So I'm trying to connect up those two concepts. What -- what is the connection between the fact that these pension obligations are driven by actuarial analyses and the fact that they create an obstacle to the City's financial planning?

A. I already answered that question. Actuarial assumptions --

Q. Indulge me, it's been a long two days.

A. Actuarial assumptions and analysis ultimately do drive required pension contribution costs. There's a cash cost associated with being required by an actuary to make certain contributions. That is inherently unpredictable because it does change relative to market asset performance and benefit costs, themselves. It's not something directly within the City's control, and the larger the underfunding is,

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the more of a projected burden that will be on the City because at some point, that gap has to be closed, and that makes it very difficult for a City to make long-term financial plans knowing that at some point in the next 10 or 20 years, it will have to satisfy its pension obligations whether or not it has the assets to do so.

Q. There's an actuarial component to what it's going to have to pay down the road; is there not?

A. There is when you estimate today what your contribution has to be to the pension fund but the actual benefit costs, themselves, is something you find out every year when people retire and register for their claimant payments. So we're talking about the funding problem -- the funding problem, not the benefit cost problem that drives this.

I also note your earlier point that the ten-year period of stability is crucial because we do assume and we have every right to do so that the City's ability to revitalize itself be successful and, therefore, will have the ability to be a healthy viable City beyond year ten, which means from a capital market's perspective, the expectation should be that it will have no difficulty raising capital